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FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

MAR 17 1992

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the quarter ended January 31, 1992

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Commission File Number 33-8066-D

TSUNAMI CAPITAL CORPORATION

COLORADO	84-1031657
(State or other jurisdiction of incorporation or organization)	I.R.S. Employer Identification Number

11811 N. Tatum - Suite 4040, Phoenix, Arizona	85028
(Address of principal executive offices)	(Zip Code)

(602) 953-7980
Registrant's telephone number, including area code

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or such shorter periods that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No ___

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date.

Common Stock No Par Value- 8,380,000 shares March 13, 1992.

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INDEX

TSUNAMI CAPITAL CORPORATION AND SUBSIDIARY

	Page No.
Part I. Financial Information	
Item 1. Financial Statements (unaudited)	
Condensed consolidated statements of financial condition - January 31, 1992 and October 31, 1991	1
Condensed consolidated statements of income - three month periods ended January 31, 1992 and January 31, 1991	2
Statement of changes in consolidated Stockholders' Equity for the period November 1,1990 - January 31, 1992	3
Statements of consolidated cash flows for the three month periods ended January 31, 1992 and January 31, 1991	4
Notes to condensed consolidated financial statements	5 - 6
Item 2. Management's discussion and analysis of financial condition and results of operations	7
Part II. Other Information	8
Signatures	9

TSUNAMI CAPITAL CORPORATION AND SUBSIDIARY
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
($,000 omitted)

ASSETS	January 31, 1992 (unaudited)	October 31, 1991 (*)
Cash	$ 587	$ 370
Deposit with clearing company	250	-
Money market funds	700	-
Accounts Receivable	1,443	357
Securities owned-at market	265	978
Prepaid Expenses	1	4
Deposits and Miscellaneous Assets	11	37
Furniture and equipment-at cost (net of accumulated depreciation of $ 34 and $ 29)	21	17
TOTAL ASSETS	3,278	1,763
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Securities Sold Short	483	-
Accounts Payable	76	34
Accrued Expenses	1,439	742
TOTAL LIABILITIES	1,998	776
STOCKHOLDERS' EQUITY		
Common stock-no par value-200,000,000 shares authorized-Issued and outstanding: 8,337,492 shares (Note 1)	167	167
Retained earnings	1,113	820
TOTAL STOCKHOLDERS' EQUITY	1,280	987
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	3,278	1,763

(*) Condensed from audited financial statements.

The accompanying notes are an integral part of the financial statements.

TSUNAMI CAPITAL CORPORATION AND SUBSIDIARY

CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
($,000 omitted except per share amounts)

	Three Months Ended January 31,	
	1992	1991
Revenues	$ 1,991	395
Costs and expenses	1,504	444
Operating income	487	(49)
Other Income	12	6
Income (loss) before Income Taxes	499	(43)
Provision for (reduction in) Income Taxes	206	(9)
Net Income (loss)	293	(34)
Net Income (loss) Per Share (A)	0.035	(0.004)
Weighted average number of shares outstanding (A)	8,337,492	8,337,492

(A) As adjusted for a combination of shares resulting in a one-for-ten "reverse split" of the outstanding common stock effective January 29, 1988.

The accompanying notes are an integral part of the financial statements.

TSUNAMI CAPITAL CORPORATION AND SUBSIDIARY
STATEMENT OF CHANGES IN CONSOLIDATED STOCKHOLDERS' EQUITY
For the Period November 1, 1990 through January 31, 1992
(unaudited, $,000 omitted)

	Preferred Stock		Common Stock			Total Stock-holders Equity
	Shares Issued	Amount	Shares Issued	Amount	Retained Earnings	
Balance - October 31, 1990	-	-	8,337,492	$167	$337	$504
Dividends Declared on Common Stock December 4, 1990	-	-	-	-	(125)	(125)
Net Income for the year ended Oct. 31, 1991	-	-	-	-	608	608
Balance - Oct. 31, 1991	-	-	8,337,492	167	820	987
Net income for the three months ended January 31, 1992	-	-	-	-	293	293
Balance - January 31, 1992	-	-	8,337,492	167	1,113	1,280

The accompanying notes are an integral part of the financial statements

TSUNAMI CAPITAL CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CASH FLOWS
($,000 omitted)

	Three Months Ended Jan 31, 1992	1991
Cash Flows from Operating Activities		
Cash collected from clearing company and other commissions	1,963	387
Interest Received	13	4
Other operating cash receipts	0	1
Cash paid to employees and suppliers of other goods and services	(1,557)	(406)
Income taxes paid	(13)	20
Net cash from operating activities	406	6
Cash Flows from Investing Activities		
Purchase of investment securities	(29)	(1)
Purchase of office equipment	(10)	(3)
Net cash from investing activities	(39)	(4)
Cash Flows from Financing Activities		
Payment of cash dividends	0	(125)
Net cash from financing activities	0	(125)
Net increase (decrease) in cash	367	(123)
Cash - beginning of period	1,170	293
Cash - end of period	1,537	170
Reconciliation of net income to net cash from operating activities:		
Net Income (loss)	293	(34)
Effects of deferrals and accruals on operating receipts and payments:		
Decrease (Increase) in receivables	(1,085)	(123)
Decrease (Increase) in inventories	411	20
Decrease (Increase) in prepaid exp.	4	12
Increase (Decr) in accounts payable	42	29
Increase (Decr) in accrued expenses	721	81
Effects of items whose cash effects are investing or financing cash flows:		
Depreciation and amortization	5	3
Unrealized loss on investments	15	17
Loss (Gain) on sale of investments		1
Net cash from operating activities	406	6

For purposes of this report, money market funds and deposits with clearing organizations are considered cash equivalents.

The accompanying notes are an integral part of the financial statements.

TSUNAMI CAPITAL CORPORATION
AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
January 31, 1992 (unaudited)

NOTE 1: Accounting Policies

On August 13, 1987, the Company acquired all of the outstanding common stock of Paradise Valley Securities, Inc. (Paradise). This transaction was accounted for as a purchase. Consequently, Paradise is a wholly owned subsidiary of the Company. The assets and liabilities, results of operations, and cash flows of Paradise since August 13, 1987 are included in the consolidated financial statements.

Virtually all of the Company's operations are currently conducted by Paradise.

Paradise is a licensed securities broker-dealer whose transactions with customers consist exclusively of acting as an introducing broker-dealer to a clearing broker-dealer on a fully disclosed basis. Paradise transmits all customer funds and securities to the clearing broker-dealer, who, in turn, carries the accounts of such customers.

Securities transactions and related commission revenue and expense are recorded on a settlement date basis, generally the fifth business day following the transaction date. Securities owned by Paradise and the Company are valued at prevailing market prices.

All furniture, equipment, and leasehold improvements are recorded at cost and are being depreciated over their estimated useful lives. Upon sale or retirement, the cost and related accumulated depreciation are eliminated from the respective accounts and the resulting gain or loss included in current income. Repairs and maintenance charges which do not increase the useful lives of the assets are charged to income as incurred.

Organization expense was amortized over a period of sixty months.

On January 15, 1988, the shareholders approved an amendment to the articles of incorporation in order to effect a combination of shares resulting in a one-for-ten "reverse split" of the outstanding common stock effective January 29, 1988.

TSUNAMI CAPITAL CORPORATION
AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)
January 31, 1992 (unaudited)

NOTE 2: Net Capital

Pursuant to the net capital provision of Rule 15c3-1 of the Securities Exchange Act of 1934, Paradise is required to maintain a minimum net capital, as defined under such provisions. Net capital and the related net capital ratio may fluctuate on a daily ba is.

On January 31, 1992 Paradise had net capital and net capital requirements of $ 973,000 and $ 94,000 respectively. Paradise' ratio of aggregate indebtedness to net capital was 1.46 to 1.

NOTE 3: Income Taxes

The Company files consolidated tax returns. Paradise reimburses the Company for income taxes as if Paradise were filing its own separate return.

NOTE 4: Commitments and Contingencies

Paradise and the Company have entered into a lease agreement for office space with an unrelated third party. Future minimum lease payments are as follows:

Fiscal year ended Oct 31, 1992	29,000
Fiscal year ended Oct 31, 1993	53,000
Fiscal year ended Oct 31, 1994	27,000
Total	109,000

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

GENERAL

Virtually all of the Company's operations are conducted by its wholly owned subsidiary, Paradise Valley Securities, Inc. (Paradise), a registered securities broker-dealer. Paradise commenced operations on July 1, 1987. Paradise was acquired by the Company on August 13, 1987.

RESULTS OF OPERATIONS

The quarter being reported on includes a time of continued vigorous activity in the securities markets as compared to the same period in the prior year. Company revenues increased over five hundred percent on a year-to-year basis due, in general, to the level of market activity and in particular to interest by the financial community in a number of securities in connection with which the Company had previously acted as an underwriter. The turnaround in operating income, $487,000 compared to a loss of $49,000 during the same period last year, is primarily a result of these increased revenues, with marginal and fixed operating costs remaining at the same approximate levels.

LIQUIDITY AND CAPITAL RESOURCES

The current levels of revenues and capital resources of Paradise at are believed by management to be adequate to meet the operating expenses of Paradise and the Company as they are now conducted and as they are contemplated to be conducted. Capital resources are not, however, adequate to permit any "firm" underwritings in excess of $ 5,000,000. To participate in a "firm" underwriting in excess of that amount, Paradise would be required to borrow, on a temporary basis, funds required for each transaction. Such loans are on a subordinated basis and are unsecured, bearing interest at prevailing rates.

Management believes that the amount of capital now available and expected to be available through such borrowing is expected to limit Paradise' participation in any "firm" underwriting to a maximum of approximately $ 7,000,000. There is no limitation on the size of best-efforts underwritings.

The amount of cash available to the Company remains adequate to meet the its operational needs. As of January 31, 1992, the Company's cash balance (including cash equivalents) of $1,537,000 represents approximately forty-seven percent of total assets.

Item 4 - Submission of matters to a vote of the Security Holders

None.

Part II - Other information

Item 5 - Other Information

On February 26, 1992, the Board of Directors declared a special cash dividend of three cents per common share, payable April 1, 1992 to holders of record March 12, 1992.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TSUNAMI CAPITAL CORPORATION

Date: March 16, 1992

Anthony Silberman, President

Date: March 13, 1992

Michael E. Jacobson, Treasurer